

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3308-02
Bill No.: Truly Agreed To and Finally Passed SCS for HB 1205, 1214, 1314, 1320, 1504, 1788, 1867 & 1969
Subject: Motor Vehicles; Licenses- Motor Vehicles; Revenue Dept.; Military Affairs
Type: Original
Date: May 24, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Revenue (DOR)- Motor Vehicle Bureau** assume this proposal creates seven new license plate types to be known as Civil Air Patrol, Combat Action Ribbon, Operation Enduring Freedom, Veterans of Foreign Wars, Missouri Task Force One, Operation Noble Eagle, Motorcycle "U.S. Vet". This proposal also creates new categories in the existing retired military speciality plates by increasing the weight limit to 18,000 pounds.

The MVB would require the services of one (1) Clerk Typist II's for 60 hours of overtime for FY03, to process additional plate applications. The Clerk Typist II's responsibilities will include, editing, correspondence, validation, key entry, telephone and customer walk-in assistance.

In addition, the MVB could incur the following expenses for:

FY03

Policy, forms and postage	\$2,138*
Plates and tabs	\$6,385*

*These expenses to be incurred by DOR do not include the cost for Operation Enduring Freedom, Operation Noble Eagle or U.S. Vet Motorcycle Plates because the department cannot determine the number of additional plates that will be received.

If highway funds are not available, then another source of funding must be identified to pay for the cost of implementing this legislation.

Revenue Impact

RETIRED MILITARY PLATE (Existing Plate)

This proposal increases the weight limit for vehicles that can apply for Retired Military specialty license plates. The department of revenue cannot determine the number of additional plates applications that will be received. For purposes of this fiscal note the department is using approximately 100 additional applications. Depending on the actual number of applications this will increase or decrease the revenue accordingly.

100 additional Retired Military Plate applications

ASSUMPTION (continued)

MILITARY SPECIALTY PLATES

This proposal removes the minimum 100 application requirement for military license plates and allows surviving spouses of individuals who would have been eligible to obtain military plates to do so as long as the spouse has not remarried.. DOR anticipates this to have minimal impact.

Minimal

CIVIL AIR PATROL

There are approximately 900 members of the Civil Air Patrol in Missouri. It is assumed that approximately 5% of those members will apply for this special license.

$900 * 5\% = 45$ **additional license plates**

COMBAT ACTION RIBBON

Although the Division of Motor Vehicle and Drivers Licensing is unable to determine the number of applicants this proposal will generate, it is estimated that the impact will be minimal based on other military license plates that are currently being offered.

Minimal

OPERATION ENDURING FREEDOM OR OPERATION NOBLE EAGLE

The Motor Vehicle Bureau could not determine the number of Operation Enduring Freedom or the number of Operation Noble Eagle plates that will be requested. This will have an unknown impact on the MVB.

Unknown additional license plates

VETERANS OF FOREIGN WARS

There are approximately 50,000 VFW members. It is assumed that approximately 1% of their 50,000 members will apply for this new plate type.

500 additional license plates

MISSOURI TASK FORCE ONE

There are 186 current members of the Missouri Task Force One and it is assumed that 50% of them would apply for this new plate type.

$186 \times 50\% = 93$ **additional license plates**

“U.S. Vet” Motorcycle Plate

The Motor Vehicle Bureau could not determine the number of US VET motorcycle plates that could be requested. This will have an unknown impact on the MVB.

Unknown additional license plates

Revenue ImpactFY03

$738+ \times \$15 = \$11,070/12 \times 10 = \$9,225^*$ $\times 75\% = \$6,919^*$ Highway
 $\times 15\% = \$1,384^*$ Cities
 $\times 10\% = \$ 923^*$ Counties

FY04 & 05

$\$8,303^*$ Highway
 $\$1,661^*$ Cities
 $\$1,107^*$ Counties

* This revenue assumption does not include the special plate fees for Operation Enduring Freedom, Operation Noble Eagle or U.S. Vet Motorcycle Plates due to the indeterminate number of additional plate applications that could be received.

Oversight assumes the number of plates to be issued, and the revenues and costs associated with this proposal would be minimal and could be absorbed from existing resources. If the volume of new special license plates exceeds anticipated levels, additional funding could be requested through the existing budget process.

Officials from the **Department of Highway and Transportation** state MoDOT is unable to provide an estimate for this proposal, and will rely upon the Department of Revenue's response.

The **Missouri Veterans Commission** and **Missouri Highway Patrol** assume this proposal would have no fiscal impact on their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would allow for various special license plates related to the military.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue

Department of Transportation

Missouri Highway Patrol

Missouri Veterans Commission



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Acting Director

May 24, 2002